

EXHIBIT 2

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Declaration Under Penalty of Perjury

COMES NOW declarant Kenneth McPartlin, who under penalty of perjury, affirms the statements made herein are true:

1. I am a former employee of Kashmiri Entertainment. I worked for Kashmiri Entertainment commencing in October, 2013. My employment was involuntarily terminated by Kami Kashmiri in December, 2017. I worked in various capacities. I started as a bartender and then, commencing in November, 2013, I worked as a manager. I did such tasks as the hiring and firing of employees, and drafting paperwork, etc. I worked as the General Manager of the Spice House from November, 2013 until August, 2104. From August, 2014, until December, 2017, I worked as a manager at Fantasy Girls. I also worked as a manager at the Wild Orchid. I am very familiar with the general operations of all three clubs.

2. I tried to run a clean club, in accordance with the law. For instance, I did not tolerate prostitution on the premises of any club and fired a number of women because they engaged in prostitution and/or drank alcohol, while being underage, on the premises. This approach toward management frequently conflicted the approach of Kami Kashmiri. I witnessed Kami Kashmiri on at least a half a dozen occasions, provide alcoholic drinks to underage women on the premises of the Spice House and Fantasy Girls. I did not confront Mr. Kashmiri about this practice because I did not wish to lose my job.

3. On a number of occasions, approximately a dozen, I caught women in both clubs engaging in sex acts on the back rooms of both the Spice House and the Fantasy Girls. My practice was to immediately fire the woman, or send her home. The women would usually call Kami Kashmiri. On these occasions, I told Kami Kashmiri why I sent the woman home or fired her. Most of the women I fired were allowed to return to work. Some of the women came to a weekly meeting. Most of the women who I fired for engaging in prostitution were allowed, by Kami Kashmiri, to return to work. This practice created tension between myself and Kami Kashmiri. That is, I was trying to run clean clubs, but Mr. Kashmiri routinely

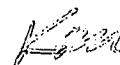


1 overrode my authority. I believe it was common knowledge among the female employees they
2 could go to Kami and they would be allowed to return to work if I fired them for engaging in
3 prostitution.

4 4. I was familiar with the clubs' customary practice of charging the girls a "buy out"
5 fee. Before the City started its investigation of the clubs, the customer would usually pay the
6 "buy out" fee. After the City started the investigation, Kami Kashmiri changed the first practice
7 at a meeting, at which I attended. This meeting occurred sometime in 2016 and it was held at
8 the Ponderosa. Kami Kashmiri said we were no longer going allow customers to do buy outs
9 because we do not want to get tied to sex trafficking. From henceforth, Mr. Kashmiri
10 instructed us that the women would have to do the buy outs themselves, i.e., rather than have
11 the customers pay directly for the buy outs, the women would do the transactions.
12 Approximately six to eight people attended this meeting, i.e., Kami and Jami Kashmiri, myself
13 and the other managers. It was understood, i.e., it was common knowledge that the purpose of
14 the buy out fees was so the clubs could acquire a percentage of the monies which were
15 generated by prostitution. That is, the "buy out" fee was a particular club's cut of the
16 prostitution fee. These fees varied between \$100 and \$500, depending on the transaction.
17 These fees were either paid in cash or "dance dollars". That is, a customer would buy "dance
18 dollars" on his credit card and he could then use the dance dollars for whatever he wanted. So,
19 the buy out fees would not be reflected on a credit card. For instance, when a credit card
20 charge was generated at the Fantasy Girls, the charge to the card would be "F & G Bar &
21 Grill".

22 5. We did not discourage women from doing buy outs. The managers, including
23 myself, were eligible for receiving ten percent of the buy out fees.

24 6. On two or three occasions I heard Kami Kashmiri say he knew City Councilmen
25 came into the clubs and they were taking part in the misconduct he was being accused of.
26 Kami Kashmiri specifically named [REDACTED] i.e., he said [REDACTED] had done
27 some of the things he was accused of in his clubs. Kami Kashmiri indicated he was going to
28 expose City Council members and [REDACTED] if the City of Reno shut him down. Kami



1 Kashmiri made these statements in meetings at the Ponderosa (where we usually had our
2 meetings) in my presence and in the presence of other managers. Kami Kashmiri was visibly
3 angry when he made these statements.

4 7. In my opinion, based on my work experience, it would not have been difficult for
5 any competent investigator to discover prostitution was routinely occurring at the club. I tried
6 to curb prostitution. That is, I was not interested in working as a pimp, but wanted instead to
7 function as a good club manager. However, a number of women openly solicited customers for
8 prostitution. Efforts were made to conceal such activity from me, but I routinely heard of these
9 encounters and routinely fired women for engaging in prostitution.

10 8. That prostitution was occurring was obvious. For instance, women would cause
11 hundreds of dollars to be paid for a "buy out" at around midnight. However, an hour and a half
12 or two hours later, they would return to work. It was obvious to everyone they had left the club
13 premises for the purpose of being paid for sex and then returned to earn additional monies, i.e.,
14 there was no necessity which caused them to need to leave early. This was a common practice
15 or occurrence.

16 9. Kami Kashmiri accused me of stealing money and fired me. However, what
17 occurred is that I had cut one of the women a break on her "buy-in" fee because she had not
18 made hardly any money during her shift. After the buy-ins were rung up, she did earn a
19 substantial amount and I caused her to pay the remainder of the buy-in fee, i.e., the amount
20 which I had forgiven. Kami Kashmiri refused to allow me to explain and fired me. I believe I
21 was fired because of the tension which had developed and continued, i.e., I was not interested
22 in facilitating prostitution or sex trafficking and made that position repeatedly known by my
23 actions and statements.

24 I hereby declare under penalty of perjury the statements I have made herein are true.

25 Dated this 10th day of August, 2019.

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